



555294

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/07/2013	.	
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The Committee on Banking and Insurance (Simmons) recommended the following:

Senate Amendment

Delete lines 1927 - 1965
and insert:

3.6. For policies initially insured by the corporation before July 1, 2013, and which have continuously been insured by the corporation since that date, Beginning on or after January 1, 2010, and notwithstanding the board's recommended rates and the office's final order regarding the corporation's filed rates under subparagraph 1., the corporation shall annually implement a rate increase that which, except for sinkhole coverage, does not exceed 10 percent for any territory single policy issued by



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13 the corporation, excluding coverage changes and surcharges. This
14 subparagraph is limited to:

15 a. Personal lines residential policies that have a dwelling
16 replacement cost of less than \$300,000 and that cover homestead
17 personal residential properties or occupied permanent
18 residencies having a written rental agreement for at least 12
19 months.

20 b. Personal lines residential wind-only policies that have
21 a dwelling replacement cost of less than \$300,000 and that cover
22 homestead personal residential properties or occupied permanent
23 residencies having a written rental agreement for at least 12
24 months.

25 c. Commercial lines residential properties.

26 4. The corporation shall also implement the following:

27 a.7. ~~The corporation may also implement~~ An increase to
28 reflect the effect on the corporation of the cash buildup factor
29 pursuant to s. 215.555(5)(b).

30 b. An increase of up to 3 percent, which shall only be used
31 to purchase catastrophe reinsurance or other risk transfer
32 mechanisms for purposes of protecting the corporation and its
33 policyholders from potential shortfalls and assessments. In any
34 year for which the full 3 percent increase is imposed, there
35 must also be a corresponding 3 percent decrease, 1 percent per
36 account, from the Citizens policyholder surcharge in (b)3.i.,
37 for that year.